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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte WAYNE LEWIS DICKERSON, JR.

Appeal 2009-001172
Application 09/940,974
Technology Center 3600

Decided:[1] July 9, 2009

Before MURRIEL E. CRAWFORD, HUBERT C. LORIN, and BIBHU R. MOHANTY, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

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[1] The two-month time period for filing an appeal or commencing a civil action, as recited in 37 C.F.R. § 1.304, begins to run from the decided date shown on this page of the decision. The time period does not run from the Mail Date (paper delivery) or Notification Date (electronic delivery).

STATEMENT OF THE CASE

Wayne Lewis Dickerson, Jr. (Appellant) seeks our review under 35 U.S.C. § 134 (2002) of the final rejection of claims 23 and 26-33. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

SUMMARY OF DECISION

We AFFIRM-IN-PART. [2]

THE INVENTION

The invention is:

> a method and system for increasing the business value of a company in an industry by identifying a solution based upon its impact and the company's performance gaps. In general, the method and system will first identify operational metrics and possible solutions for the particular industry. Then, the impact of the solutions on the operational metrics will be assessed. Once assessed, the average operational performance of the company will be compared to the average operational performance of one or more companies in the industry to expose any performance gaps. Based upon the exposed gaps and the impacts, a solution will be identified to improve the business value of the company.

Specification 3:14-4:2.

Claim 23, reproduced below, is illustrative of the subject matter on appeal.

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[2] Our decision will make reference to the Appellant's Appeal Brief ("Br.," filed Dec. 21, 2007) and the Examiner's Answer ("Ans.," mailed Mar. 21, 2008).

23. A computerized method for identifying a solution to address exposed performance gaps of a company in a specific industry, comprising:

first identifying a plurality of operational metrics for the specific industry, wherein the operational metrics includes a factor used to measure health or viability of a generic company in the specific industry, wherein the specific industry is a grocery store industry, wherein the operational metrics include at least one of a rate of inventory turnover and a number of customers per day;

assembling a set of solutions for application by the specific industry, wherein the set includes one of a decision, an action, a product, and a service;

assessing impacts of application of the set of solutions on the operational metrics for the specific industry, wherein the assessing includes determining which of the set of solutions has a negative impact on an operational metric and determining which of the set of solutions has a positive impact on the operational metric;

after identifying, assembling, and assessing, then comparing a current operational performance of the company to an operational performance of another company within the specific industry to obtain at least one performance gap, wherein the operational performance includes a performance of a company based upon the operational metric for the specific industry;

identifying a solution based upon the impacts to address the exposed performance gaps, wherein the solution is at least one of a decision, an action, a product, and a service that impacts a problem in a positive manner; and

outputting the solution from the computer system.

THE REJECTIONS

The Examiner relies upon the following as evidence of unpatentability:

Sanders	US 6,411,936 B1	Jun. 25, 2002
Machin	US 6,877,034 B1	Apr. 5, 2005

The following rejections are before us for review:

1. Claims 23 and 26-33 are rejected under 35 U.S.C. § 112, 1st paragraph as failing to enable a person of ordinary skill in the art to make and use the invention.
2. Claims 23 and 26-33 are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.
3. Claims 23 and 26-33 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Machin in view of Sanders.

ARGUMENTS

The rejection of claims 23 and 26-33 under 35 U.S.C. § 112, 1st paragraph as failing to enable a person of ordinary skill in the art to make and use the invention.

First, the Examiner rejected claim 23 and 26-33 since the Specification does not enable one of ordinary skill in the art to assess the impact of all possible solutions. Ans. 3. The Examiner argues that the claim encompasses an endless number of solutions, all of which are not enabled by the Specification. Ans. 14. In response, the Appellant argues that one of ordinary skill in the art, such as a business manager, would be able to practice the invention at the time of invention based on the Specification and their business management knowledge. Br. 10. Further, the Appellant

argues that it is not required by statute and impossible to write a Specification to address all possible solutions to practice a claim feature, but must merely provide enough information so that one of ordinary skill is able to practice the invention. Br. 10.

Second, the Examiner rejected claim 26 since the Specification does not enable one of ordinary skill in the art to use conflict resolution rules in such a way as to determine a solution. Ans. 3. In response, the Appellant argues that one of ordinary skill in the art, such as a business manager, would be enabled to practice the claimed invention and would know the conflict resolution rules for a particular industry. Br. 10-11. The Appellant relies upon paragraphs [0035], [0041], and [0051] of the U.S. 2003/0046137, the U.S. Patent Application Publication for the instant application, for disclosure and enablement of how to implement the conflict resolution rules. Br. 11.

The Examiner states that the Specification does state that the conflict resolution rule should dictate whether a solution should be identified for implementation and that once the solution is assessed whether the solution has a positive or negative impact is determined. Ans. 14. However, the Examiner asserts that this still does not enable the invention. Ans. 14.

The rejection of claims 23 and 26-33 under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

The Examiner rejected claims 23 and 26-33 as drawn to non-statutory subject matter since the claimed invention does not produce a useful, concrete and tangible result. Ans. 4. The Examiner asserts that the claimed

invention lacks concreteness since the claims are directed to brainstorming to come up with potential solutions to potential problems. Ans. 4 and 14.

The Appellant argues that the claims are not directed to brainstorming (Br. 11) and do not include addressing problems that do not exist (Br. 12).

The rejection of claims 23 and 26-33 under 35 U.S.C. § 103(a) as being unpatentable over Machin in view Sanders.

The Examiner rejected claims 23 and 26-33 under 35 U.S.C. § 103(a) as being unpatentable over Machin in view Sanders. Ans. 5-13. The Examiner admitted that the combination of Machin and Sanders does not teach that the specific industry is a grocery industry, but contended that this limitation was a recitation of intended use that does not result in a structural or manipulative difference. Ans. 6 and 15.

The Appellant traverses the rejection of claims 23 and 26-33 under 35 U.S.C. § 103(a) as being unpatentable over Machin in view Sanders. The Appellant's arguments specifically address independent claim 23, and the Appellant states that independent claims 29-33 and dependent claims 26-28 are allowable for the same reasons. Br. 14.

ISSUES

The issues are:

1. Does the Specification enable one of ordinary skill in the art to make and use the invention claimed in claims 23 and 26-33?
2. Are claims 23 and 26-33 drawn to statutory subject matter?
3. Would one of ordinary skill in the art have been led by Machin and Sanders to the claimed invention?

FINDINGS OF FACT

We find that the following enumerated findings of fact (FF) are supported by at least a preponderance of the evidence. *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Office).

The Specification

1. The Specification describes that the conflict resolution rules dictate when a solution should be identified for implementation and gives an example of choosing a solution that does not slow inventory turnover rather a solution that increases the check out rate but slows inventory turnover in a grocery store. Specification 14:20-15:5.
2. The Specification describes assembling a set of solutions for an industry which could be a decision, action, product and/or service that solves a recognized problem in the industry and gives computer infrastructure, software manpower, and consulting arrangements as examples. Specification 9:11-14.
3. The Specification describes implementing a better computer infrastructure as a possible solution for the problem of a sub-par customer check-out rate. Specification 14:21-15:2.

Claim construction

4. Claim 23 recites a method including:

> first identifying a plurality of operational metrics for the specific industry, wherein the operational metrics includes a factor used to measure health or viability of a generic company in the specific industry, wherein the specific industry is a grocery store industry, wherein the

> operational metrics include at least one of a rate of inventory turnover and a number of customers per day.

5. Claim 23 recites "assembling a set of solutions for application by the specific industry, wherein the set includes one of a decision, an action, a product, and a service."

6. Claim 23 recites:

> assessing impacts of applications of the set of solutions on the operational metrics for the specific industry, wherein the assessing includes determining which of the set of solutions has a negative impact on an operational metric and determining which of the set of solutions has a positive impact on the operational metric.

7. Claim 23 recites "outputting the solution from the computer system."

8. Claim 29 recites a method including "first identifying a plurality of operational metrics for the specific industry, wherein the operational metrics include a factor used to measure health or viability of a generic company in the specific industry, wherein the specific industry is a grocery store industry."

9. Claim 29 also recites "outputting the value proposition from the computer system."

10. Claim 30 recites a method including the same two steps recited in claim 29 above.

11. Claim 31 recites a computer system including:

> an information system for receiving operational metrics, a set of solutions for application by the specific industry, operational performance data of the company, and average

operational performance data of companies within the specific industry, wherein the operational metrics include a factor used to measure health or viability of a generic company in the specific industry, wherein the set includes one of a decision, an auction, a product, and a service, wherein the specific industry is a grocery store industry.

12. Claim 32 recites a program product stored on a recordable medium including:

program code configured to receive operational metrics and a set of solutions for application by the industry, wherein the operational metrics include a factor used to measure health or viability of a generic company in the specific industry, wherein the set includes one of a decision, an action, a product, and a service, wherein the specific industry is a grocery store.

13. Claim 33 recites a program product stored on a recordable medium including:

program code configured to receive operational metrics, a set of solutions for application by the industry, operational performance data of the company, and average operational performance data of companies within the industry, wherein the operational metrics include a factor used to measure health or viability of a generic company in the specific industry, wherein the set includes one of a decision, an action, a product, and a service, wherein the specific industry is a grocery store.

The scope and content of the prior art

Machin

14. Machin describes an on-line benchmarking service. Col. 1, ll. 1-55.

15. Machin describe a data entry section of a data mart that includes a host that accesses an on-line database to enter data into the on-line database. Col. 3, ll. 40-51.

Sanders

16. Sanders describes a system and method that uses an enterprise value enhancement model based on planning loops. Col. 7, ll. 41-44.

Any differences between the claimed subject matter and the prior art

17. Neither Machin nor Sanders describes a grocery store industry.

The level of skill in the art

18. Neither the Examiner nor the Appellant has addressed the level of ordinary skill in the pertinent art of business management. We will therefore consider the cited prior art as representative of the level of ordinary skill in the art. *See Okajima v. Bourdeau,* 261 F.3d 1350, 1355 (Fed. Cir. 2001) ("[T]he absence of specific findings on the level of skill in the art does not give rise to reversible error 'where the prior art itself reflects an appropriate level and a need for testimony is not shown'") (Quoting *Litton Indus. Prods., Inc. v. Solid State Sys. Corp.*, 755 F.2d 158, 163 (Fed. Cir. 1985)).

Secondary considerations

19. There is no evidence on record of secondary considerations of non-obviousness for our consideration.

PRINCIPLES OF LAW

Enablement

"[T]o be enabling, the specification of a patent must teach those skilled in the art how to make and use the full scope of the claimed invention without 'undue experimentation.'" *In re Wright*, 999 F.2d 1557, 1561 (Fed. Cir. 1993) (citation omitted). Some experimentation, even a considerable amount, is not "undue" if, e.g., it is merely routine, or if the specification provides a reasonable amount of guidance as to the direction in which the experimentation should proceed. *In re Wands*, 858 F.2d 731, 737 (Fed. Cir. 1988). Factors to consider include "(1) the quantity of experimentation necessary, (2) the amount of direction or guidance presented, (3) the presence or absence of working examples, (4) the nature of the invention, (5) the state of the prior art, (6) the relative skill of those in the art, (7) the predictability or unpredictability of the art, and (8) the breadth of the claims." *Wands*, 858 F.2d at 737 (footnote omitted).

Statutory Subject Matter (Process)

> [T]he proper inquiry under § 101 is not whether the process claim recites sufficient "physical steps," but rather whether the claim meets the machine-or-transformation test. As a result, even a claim that recites "physical steps" but neither recites a particular machine or apparatus, nor transforms any article into a different state or thing, is not drawn to patent-eligible subject matter. Conversely, a claim that purportedly lacks any "physical steps" but is still tied to a machine or achieves an eligible transformation passes muster under § 101.

In re Bilski, 545 F.3d 943, 961 (Fed. Cir. 2008) (en banc) (footnotes omitted).

Claim Construction

During examination of a patent application, a pending claim is given the broadest reasonable construction consistent with the specification and should be read in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004).

> [W]e look to the specification to see if it provides a definition for claim terms, but otherwise apply a broad interpretation. As this court has discussed, this methodology produces claims with only justifiable breadth. *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984). Further, as applicants may amend claims to narrow their scope, a broad construction during prosecution creates no unfairness to the applicant or patentee. *Am. Acad.*, 367 F.3d at 1364.

In re ICON Health and Fitness, Inc., 496 F.3d 1374, 1379 (Fed. Cir. 2007). Limitations appearing in the specification but not recited in the claim are not read into the claim. *E-Pass Techs., Inc. v. 3Com Corp.*, 343 F.3d 1364, 1369 (Fed. Cir. 2003).

Obviousness

"Section 103 forbids issuance of a patent when 'the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.'" *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, and (3) the level of skill in the art. *Graham v. John Deere Co.*, 383 U.S. 1, 17-

18 (1966). *See also KSR*, 550 U.S. at 407 ("While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.") The Court in *Graham* further noted that evidence of secondary considerations "might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented." 383 U.S. at 17-18.

ANALYSIS

The rejection of claims 23 and 26-33 under 35 U.S.C. § 112, 1st paragraph as failing to enable a person of ordinary skill in the art to make and use the invention.

First, the Examiner rejected claims 23 and 26-33, stating that the Specification does not enable one of ordinary skill in the art to asses an endless number of solutions. Ans. 3 and 14. However, the claims to do not encompass assessing an *endless* number of solutions but only the solutions for application by the grocery store industry in the assembled set of solutions, which includes one of a decision, an action, a product, and a service. FF 5-6. The Specification includes a description of what a solution set could include and provides examples, including an example specific to the grocery store industry. FF 2-3.

The first paragraph of 35 U.S.C. § 112 requires nothing more than objective enablement. "How such a teaching is set forth, either by the use of illustrative examples or by broad terminology, is of no importance." *In re Marzocchi,* 439 F.2d 220, 223 (CCPA 1971)

> [A] specification disclosure which contains a teaching of the manner and process of making and using the invention in terms which correspond in

> scope to those used in describing and defining the subject matter sought to be patented must be taken as in compliance with the enabling requirement of the first paragraph of § 112 unless there is reason to doubt the objective truth of the statements contained therein which must be relied on for enabling support.

Ibid. The Examiner has provided no analysis showing that those skilled in the art would not be able to make and use the full scope of the claimed invention without undue experimentation given the disclosure in the Specification. Nor has the Examiner given a reason to doubt the objective truth of the statements made in this passage; statements which appear to enable one of ordinary skill in the art to make and use the claimed method including assembling and assessing a set of solution for application by a grocery store industry, which include one of a decision, an action, a product, and a service.

Second, the Examiner rejected claim 26, stating that the Specification does not enable one of ordinary skill in the art to use conflict resolution rules in such a way as to determine a solution. Ans. 3. The Appellant cites paragraphs [0035], and [0041], and [0051] for adequate disclosure and enablement of how to implement the conflict resolution rules. Br. 1. In response the Examiner again asserts that the Specification does not enable one of ordinary skill in the art to make or use the invention. Ans. 14. However, the Examiner did not explain why the passages fail to provide the necessary enablement; that is, the Examiner failed to explain why the passages failed to enable one of ordinary skill in the art to make and use the claimed invention without undue experimentation.

Again, the Examiner has provided no analysis showing that those skilled in the art would not be able to make and use the full scope of the

claimed invention without undue experimentation given the disclosure in the Specification. Nor has the Examiner given a reason to doubt the objective truth of the statements made in these paragraphs; statements which appear to enable one of ordinary skill in the art to make and use the claimed method including using conflict resolution rules.

Accordingly, we find that the Appellant has shown that the Examiner erred in rejecting claim 26 under 35 U.S.C. § 112, 1st paragraph as failing to enable one of ordinary skill in the art to make or use the claimed invention.

The rejection of claims 23 and 26-33 under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

The Examiner applied the useful, concrete, and tangible result inquiry to determine that claims 23 and 26-33 are non-statutory because they lack concreteness. Ans. 4. However, the court in *Bilski* held that "the 'useful, concrete and tangible result' inquiry is inadequate [to determine whether a claim is patent-eligible under § 101.]" *In re Bilski*, 545 F.3d 943, 959-60 (Fed. Cir. 2008) (en banc).

We find that claims 33 and 32 recite articles of manufacture, which fall into one of the four categories of patent-eligible subject matter. FF 12-13. Further, claim 31 recites an apparatus, which is also statutory subject matter. FF 11.

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.
> 35 U.S.C. § 101. The statute thus recites four categories of patent-eligible subject matter:

> processes, machines, manufactures, and compositions of matter.

In re Bilski, 545 F.3d 943, 951 (Fed. Cir. 2008) (en banc).

Claims 23, 29, and 30 are drawn to processes (FF 1-10) which are statutory if they meet the machine-or-transformation test. "A claimed process is surely patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing." *Id.* at 954, citation omitted. We find that claims 23, 29, and 30 recite a computerized method which includes a step of outputting information from a computer (FF 7 and 9-10) and therefore, are tied to a particular machine or apparatus.

Therefore, we find that the Examiner erred in rejecting claims 23 and 26-33 under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

The rejection of claims 23 and 26-33 under 35 U.S.C. § 103(a) as being unpatentable over Machin in view of Sanders.

Method Claims 23 and 26-30

The Examiner admits that the combination Machin and Sanders does not teach that the specific industry is a grocery store industry. Ans. 6. The Examiner contends that the recitation of a grocery store industry is merely an intended use which does not result in a structural difference. *Id.*

Independent claims 23, 29, and 30 each recite a step of identifying a plurality of operational metrics for a specified industry, wherein the specified industry is a grocery store industry. FF 4, 8, and 10. The recitation of a grocery store industry is not a recitation of intended use but a limitation that further defines the step. The manipulation required by the

step is to identify specific types of operational metrics - those operational metrics that are for a grocery store industry.

We find that neither Machin nor Sanders teach a grocery store industry. FF 17. Further, the Examiner has provided no other rationale, with logical underpinnings, as to why one of ordinary skill in the art would have been led by Machin and Sanders to the claimed methods. Accordingly, we find that the Appellant has shown that the Examiner erred in rejecting claims 23, 29, and 30 and claims 26-28, dependent thereon.

Apparatus Claim 31

Independent claim 31 recites a system that includes an information system for receiving metrics, a set of solution and data of a grocery store industry. FF 11. The fact that the recited function is specific to metrics, solution sets, and data of a grocery store industry as opposed to another industry does not result in a structural difference of the information system. *See In re Schreiber,* 128 F.3d 1473, 1477-78 (Fed. Cir. 1997) (functional language does not confer patentability if prior art structure has capability of functioning in the same manner). The information system of Machin is capable of receiving data that comes from a grocery store industry or another industry. FF 15. We find that the recitation of a grocery store industry in claim 31 does not result in a structural difference of the system. Accordingly, we find that the Appellant has not shown that the Examiner erred in rejecting claim 31.

Article Claims

Independent claims 32 and 32 recited a program product stored on a recordable medium that includes program code configured to receive metrics, a set of solutions and data for the grocery store industry. FF 12-

13. The fact that the recited function is specific to metrics, solution sets and data of a grocery store industry as opposed to another industry does not result in a structural difference of the program codes recorded on the recordable medium. *See In re Schreiber,* 128 F.3d at 1477-78 (functional language does not confer patentability if prior art structure has capability of functioning in the same manner). The program code of Machin is capable of receiving data that comes from a grocery store industry or another industry. FF 15. We find that the recitation of a grocery store industry in claims 32 and 33 does not result in a structural difference of the program code. Accordingly, we find that the Appellant has not shown that the Examiner erred in rejecting claims 32 and 33.

CONCLUSIONS OF LAW

We conclude that the Appellant has not shown that the Examiner erred in rejecting claims 31-33 under 35 U.S.C. § 103(a) as being unpatentable over Machin in view of Sanders.

We conclude that the Appellant has shown that the Examiner erred in rejecting claims 23 and 26-33 under 35 U.S.C. § 112, 1st paragraph as failing to enable a person of ordinary skill in the art to make and use the invention and under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

We conclude that the Appellant has shown that the Examiner erred in rejecting claims 23 and 26-30 under 35 U.S.C. § 103(a) as being unpatentable over Machin in view of Sanders.

DECISION

The decision of the Examiner to reject claims 31-33 under 35 U.S.C. § 103(a) is affirmed; the decision of the Examiner to reject claims 23 and 26-30 under 35 U.S.C. § 103(a) is reversed; and the decision of the Examiner to reject claims 23 and 26-33 under 35 U.S.C. § 112, 1st paragraph and 35 U.S.C. § 101 is reversed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv) (2007).

AFFIRMED-IN-PART

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